

S P E E C H

OF

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HON. WILLIAM BIGLER,

OF PENNSYLVANIA,

ON

THE TARIFF QUESTION;

DELIVERED

IN THE SENATE OF THE UNITED STATES, FEBRUARY 8, 1859.

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OF PENNSYLVANIA

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ADDRESSES

IN THE SENATE OF THE UNITED STATES, FEBRUARY 18, 1846.

PHILADELPHIA

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1846

SPEECH.

The Senate proceeded to consider the following resolution, submitted by Mr. BIGLER on the 31st of January :

Resolved, As the opinion of the Senate, that the creation of a large public debt in time of peace is inconsistent with the true policy of the United States ; and as the present revenues are insufficient to meet the unavoidable expenses of the Government, Congress should proceed, without delay, to so readjust the revenue laws as not only to meet the deficit in the current expenses, but to pay off the present debt so far as it may be liable to immediate cancellation.

Mr. BIGLER said :

Mr. PRESIDENT: The general subject is one of much interest to the Government, to the whole country, and especially to my constituents; and I must ask the indulgence of the Senate whilst I discuss it somewhat at length.

It will be remembered that, a few days since, I presented a series of resolutions which had been unanimously adopted by the Legislature of Pennsylvania, approving the views of the President on the subject of the tariff, as expressed in his annual message, and instructing my colleague and myself to sustain an increase of duties on imports, as well with a view to an increase of the revenues as to afford encouragement to such industrial interests as encounter foreign competition. I then remarked, Mr. President, and I repeat now, that I have no doubt those resolutions embody the sentiments of an overwhelming majority of my constituents, and I shall endeavor to carry out their spirit to the utmost of my ability. In deference to this universal voice, it will be my duty to act up to the full import of the resolutions, irrespective of peculiar views of my own.

No question, save one, connected with our form of government has led to so much controversy, in and out of Congress, or given existence to such

an abundance of conflicting and dissimilar opinion, as that of the tariff, as well on the theoretical principles involved, as on the practical workings of given details. Nor is this at all singular; for, in its very nature, it is, to a greater or less extent, a subject of conflicting interest, real or imaginary, between different sections of our common country, and different interests, pursuits, and classes of people within the same section, each having like claims upon the justice and favor of the Government; whilst the close and well-balanced relations of producers and consumers, operatives and capitalists, to the subject, has very naturally excited the utmost vigilance on the part of each of these classes in the maintenance of their rights and interests as involved in its operations. Nor has any measure so uniformly baffled the foresight and judgment of public men. Its practical operations upon the Treasury, and upon those industrial interests encountering severe foreign competition, has been all the while a problem—a grand mystery. No one of the sixteen regular tariff laws adopted since 1789 has met the expectations of its advocates in every particular; nor has there been one which did not, at some time, seem to produce effects which no one had anticipated, and thereby controverts the most universally accepted theories on the subject, the results fluctuating to great extremes under the same rates of duty.

In 1836, when the tariff, under the compromise law, was still quite high, the imports exceeded those of any previous year, or any one of sixteen subsequent years, reaching \$189,980,000, against \$128,660,000 of exports; leaving a balance against the country of \$61,320,000; whilst in 1838

The duties having declined but slightly, the imports sank down to \$113,317,000, being a decline of over \$75,000,000; leaving an excess over exports of only \$4,830,000. Then again, in 1856, they reached the sum of \$314,639,942; whilst in 1858, under the reduced rates of the tariff of 1857, they fell down to \$282,613,000; the fluctuations in the receipts to the Treasury ranging, at different times, from five to ten or twelve million dollars in successive years, under the same duties, being often very remarkable, and influenced as well by revulsions in business, and the market value of goods, as the extent of importations; the entire experience going to show that its operations are controlled quite as much by the impulses of commerce and trade as by the rate of duty. There never has been a tariff law, and I do not believe there ever will be one devised, against which plausible, if not well-founded objections may not be made by some interest or class of people, on some point or other of its operations; and no public man need be reproached because he did not foresee, with accuracy, what a given tariff would do; for the most sagacious have failed to do this. I have myself no faith in the cure-all school of doctors on this subject; nor do I believe the tariff can do as much for home interests as is claimed by some; nor sympathize in the unreasonable doctrines of extreme protectionists, or respect the policy of some who are constantly asking what they know cannot be granted; and still less in the efforts of others to persuade large classes of the people that they should rely rather upon the Government and the laws for prosperity, than upon their own enterprise, energy, and industry. But I believe that, in meeting the constitutional obligation to provide revenue to defray the expenses of the Government, we should endeavor to distribute the burdens incident thereto as equally as may be; giving all the incidental protection and aid we can to such manufacturing and other interests as encounter vigorous competition from abroad.

There is no dispute as to the right of Congress to levy impost duties. That power is expressly conferred in the Constitution. Nor need it be seriously denied that, in the exercise of that power, it is not as well the duty as the right of Congress to take into consideration the effect of such exercise upon the general welfare of the whole country. It is in the details of this work that the problem is involved; and they are in no way prescribed in the Constitution. Revenue to sustain the national Government being the expressed object, the rates of duties to be assessed on the various articles of importation, and the incidents to

flow from such rates, affecting any or all of the industrial interests of the country, are matters for the wisdom of Congress. In the exercise of this discretion, whilst seeking to promote the general good, the utmost care should be taken to do injustice to no class of the people or branch of industry. Certainly, no attempt should be made to build up one of these at the sacrifice of the others; nor to burden, unequally, one section of the country to advance the prosperity of another. No true friend of the manufacturer will seek to do these things, or insist upon the right of "protection for the sake of protection merely." Such policy would be alike weak and unwise. What we want, and all that is necessary, is the exercise of a wise discrimination in fixing the rate of duties on each article of importation, so as to do the most we can for the manufacturing interests, without oppressing, improperly, any other branch of industry. This we may properly do, and this it is our bounden duty to do.

The specific things which it is wise and proper for a nation to do, in its efforts to foster its domestic welfare, must depend, to a great extent, upon the elements of such country; the nature of the climate; the character and extent of its resources, as also the pursuits and inclinations of its people. If it be true that the wealth of a nation consists in the productive labor of its citizens, then it follows that the wealth of a nation is involved to some extent in the direction of that labor; for the extent of its rewards must depend upon its fitness to the end to which it is devoted.

It must be obvious, too, that that country is most prosperous and independent which can profitably produce the greatest variety, and the largest relative quantity, of the great staples of life, comfort, and means of military defense. Our country is blessed, above all measure, in these particulars. She is possessed of the elements of prosperity for all the great branches of industry; agriculture, manufactures, and the mechanic arts, of which commerce is the natural offspring.

So far as our revenue system may affect any or all of these interests, Congress should see that the beneficial incidents flow to such branches of industry as are best suited to the resources of our country and to the inclinations and capacities of our people. No artificial or unnatural interest should be considered in the action of Congress. No system of hot-house horticulture to produce the fruits of the tropics, or *morus multicaulis* schemes of growing silk, should be sustained at the cost of five times the labor necessary to produce the flour, beef, pork, iron, cotton, wool, sugar, hemp, &c., necessary to exchange for these

But the great interests naturally suited to the country should be considered and cherished; for in the pursuit of these the labor of our people is wisely directed. It is also the manifest interest of our nation to prepare its great staple productions, as nearly as may be, for consumption; that is, to vest the raw material with the greatest amount of value before sending it abroad. For instance, the statistics of manufactures for 1850 show that the value of the raw material used that year, was enhanced from \$554,783,917 to \$1,010,628,179 by the process of manufacturing; and at this ratio the raw cotton exported in 1858, being of the value of \$131,386,661, would have equaled in value nearly the whole amount of importation. The less we buy of iron, cotton, hemp, wool, sugar and other great staples, which we can produce as well as we can do anything else, the more ability we shall have to buy those things which we cannot produce, and the better we shall be prepared to sustain the Treasury in this way.

So much for generalities; and now, sir, let me proceed to declare to the Senate, without reserve, just what I would do, and how I would do it, had I the power to dispose of the subject. I have always held to the doctrine of a tariff for revenue only, and in shaping a law to this end, I should conform it to no arbitrary rule or principle; but compose it of different modes, using both the specific and *ad valorem*; and, in some instances, the better to equalize the rates of charge upon similar articles, and at the same time to discriminate against inferior goods, I should compound the two modes, applying the charge as well upon the quantity as upon the value of the same article. I should discriminate, in fixing the rates of duty, so as to maintain our great branches of industry in their competition with similar pursuits in foreign countries, so far as that can be done without imposing improper burdens upon other classes of the people. I should do this on the ground that there is a well-balanced reciprocity between all departments of industry, acting and reacting on each other; the prosperity of one being beneficial to all, and *vice versa*; the manufacturer employing the laborer and mechanic, and consuming the products of the farmer, and they in turn taking the manufacturer's goods; the farmer being directly interested in having his manufactures produced in his own vicinity, rather than at remote points, to which he cannot transport his products in payment.

I hold, also, that the manufacturer has strong claims to the incidental aid flowing from our revenue system because of the positive damage resulting to his business from our unrestrained sys-

tem of paper currency, over which he can have no effective control; and to which I shall presently allude. I should also be careful that the higher rate of charges fell upon the luxuries, rather than the necessities of life; for the reason that the consumption of the former has no beneficial incidents, and is in no way calculated to advance the general prosperity and welfare of the country, and is, beside, a principal cause of the heavy commercial balances too often found against our country. If there be those able to indulge in such consumption, let them pay accordingly.

I should be careful, too, that the Government collected whatever its demand might be, whether counted on the quantity or on the value of the article, so that the honest importer might stand at least equal with the unscrupulous adventurer.

It is due to myself to say that, in a report made to the Senate of my own State twelve years ago, I held substantially the same views. Whilst discussing the effect of the misuse of the specific and minimum principles in the tariff of 1842, I remarked "that the specific principle may be applied to articles of equal and fixed value without being liable to objection; that I should be glad to see it applied to coal, bar iron, pig metal, and other articles, varying but little in value, under a given name; for, whilst it would answer the purpose of the Government for revenue, and work no injustice to the consumer, it might be of vast importance to home producers in case of severe depression of prices in Europe." But I never did, and I never shall, favor the use of the specific charge in such way as manifestly to tax one class of consumers higher than another; but I do maintain that, so far as the operations of this mode may be equal, it has other valuable virtues, as I shall show presently.

As to the necessities for a prompt readjustment of the tariff, I can see no room for serious difference of opinion. It is conceded on all hands, that the revenues are insufficient to meet the current expenses of the Government. The Secretary of the Treasury estimates the deficit, on the 30th of June, 1860, at \$7,914,576; but that sum does not include \$19,754,800 of Treasury notes now in circulation, and which the Secretary says should be canceled rather than converted into permanent debt. It is thus seen that the actual deficiency on the 30th of June, 1860, on the Secretary's own showing, will be \$27,679,376 instead of \$7,914,576. But the Secretary's estimates are very properly for the requirements of the laws as they now are. He has not attempted to anticipate the special burdens which Congress may throw upon the Treasury prior to June, 1860. Already the House

has passed a pension bill, which, it is said, will require from five to eight million dollars per annum for many years, whilst the Senate, in turn, has passed another for the payment of French spoiliations, which will require about five millions in addition. Then, there is the Oregon war debt, and the countless smaller demands which may be made upon the Treasury, in addition to the \$30,000,000 to purchase Cuba; and I fear that the deficit in the postal receipts will be about a million dollars more than the Secretary's estimate; and the receipts from the public lands, about two millions less. Indeed, sir, should the bill which passed the House the other day, giving the land to settlers at ten dollars per quarter section, become a law, the receipts from that source will not be one million dollars instead of five millions. In view of these considerations, and making allowance for all the retrenchment in expenses we can hope to accomplish, I should estimate the deficit on the 30th of June, 1860, as follows:

In current expenses.....	\$12,900,000
Treasury notes.....	19,754,800
	<hr/>
	32,654,800
Add present debt.....	45,155,977
	<hr/>
	77,810,777
Add for the Cuban fund.....	30,000,000
	<hr/>
	\$107,810,777

But, sir, will the Secretary's estimates be realized? Will the revenues from customs, for 1860, reach the sum of \$56,000,000? It is possible they may, but it is by no means certain; and, should they do so, I think it an easy task to show that they will be more than the country can safely receive.

The tariff of 1828 made an average charge, on the gross amount of importations, of twenty-eight per cent.; that of 1842, about nineteen per cent.; that of 1846, about twenty-one per cent.; and that of 1857, sixteen per cent. At the rate of sixteen per cent., it will require the importation and consumption of full \$350,000,000 to meet the estimates of the Secretary, or \$100,000,000 more than the amount of last year, and \$14,000,000 more than for the year 1857, which, all must agree, exceeded the standard of a wholesome demand. The truth is, the importations of 1855, 1856, and 1857, do not furnish a safe basis for estimates for the future. They made an important element in the general expansion of commerce, business, credit and currency, which exploded in the latter year, with such disastrous results to the country; and like causes will always produce similar results. On this point, the expansion of 1836 is most significant. The imports having reached \$180,000,000, being a greater amount than at

any former period, were immediately followed by a disastrous commercial revulsion; and they did not again reach that sum in any one of sixteen subsequent years. No man is at liberty to disregard the teachings of such experience. Indeed, sir, we can rely but little upon the movements of commerce. They are impulsive and uncertain, promising largely to-day, and yielding nothing to-morrow. Just now the receipts from customs are quite equal to the Secretary's estimates; but I tell you the country is not in a condition to continue such large imports. The mighty monetary and commercial impulses of the world may open the floodgates of importation, or close them for a season, even in defiance of the laws of supply and demand; but the only reliable data on which to measure the imports into the country for a series of years, is its capacity to purchase and consume. On this point, experience is the best witness; and it shows that, for thirty-eight years, the consumption of foreign goods, *per capita*, has averaged \$6 69; the extremes being in 1821, when it was down to \$4 14; and in 1836, 1856, and 1857, when it ranged between ten and eleven dollars; the healthy periods of the country being when the amount was about the average. The Secretary's estimate for 1860, on the basis of a population of 29,500,000, and imports of \$350,000,000, and \$56,000,000 of revenue, will require a *per capita* consumption of \$11 86, nearly double the past average, and exceeding the prodigal years of 1836, 1856, and 1857. Can the country do this? Have we the capacity to pay so much above the average? The exportations of cotton are large, and may continue so; but there is only a feeble demand for agricultural surplus, if we had any on hand in the North. How, then, can the demands of the Treasury be met, except by increasing the rates and extending the range of impost duties? But I should place the highest *per capita* consumption the country could stand, in the most prosperous time, at nine dollars; and at this rate, and on the basis of a population of 30,000,000, the aggregate consumption would be but \$270,000,000, and the revenue on that only \$43,200,000, being \$12,800,000 below the estimate for 1860. It may be said by some of our friends, that the effect of increasing the duties will be to lessen the importation of iron and other staples, and so fail to increase the revenue; and that may be true to a certain extent; but if so, we shall have the greater capacity to buy other things which we cannot produce. The manufacturers, when out of business, will not consume foreign goods; but when prospering, they consume much more freely.

It is too obvious, therefore, Mr. President, that the alternatives of an increase of the public debt, or an increase of the revenues, are before us; and for one, sir, I am emphatically in favor of the latter and against the former. I am utterly opposed to the creation of public debt in time of peace. It is against the settled policy of our Government, and should not be indulged even to a moderate extent. It has been said the present tariff has not had a fair trial; that it may hereafter bring the necessary revenue. But, suppose the Secretary's estimates to prove entirely correct; it will require over ten millions annually, for three years, above his estimates, to meet the deficit which he himself shows. Such a case leaves no room for doubt or dispute.

It is proper that I should remark at this point, Mr. President, that I dissent from the estimates of the Secretary of the Treasury with the utmost reluctance, and in all kindness to him, for I am his personal and political friend.

But, sir, it is said that there is not time sufficient to accomplish the work at this session—and it must be conceded that the time is short; but we can have much more time than we had on the present tariff, which was discussed in this body only a few hours. But, sir, if we cannot have a complete revision of the tariff, applying different rules and rates to different articles, as may seem best, then give us four or five or six per cent. on the rates of the present law. This proposition could be understood and disposed of in a few hours.

But, sir, I desire at this point to notice briefly the views of the President, and those of the Secretary of the Treasury, on this subject, about which some gentlemen seem to be greatly exercised, and to be regarding these high functionaries as at direct issue on a vital question of principle connected with our revenue system. I do not so understand them. They agree that the revenues are insufficient and should be increased, and that revenue is the primary object to be attained, and not "protection for the sake of protection." They both aim to raise from this source the same amount of customs. The only difference is as to how the Government charge shall be measured; whether uniformly upon the value of imports, or upon the quantity so far as that may be proper, and upon the value of the remainder. In other words, the President would apply the specific mode, so far as its operation would be equitable and just upon consumers, while the Secretary would apply a percentage upon the value of each and every commodity. It does not follow, therefore, that one is for protection and

the other against it, or the one for incidental aid to the home producer, and the other against it. Either form of change may be so applied as to be protective, and either so as to be only a fair revenue measure. But the *ad valorem* principle may be applied to an unlimited extent, whilst the specific should not. The latter can be justly assessed only on articles of similar character and value under the same name or description; for its general application would work manifest injustice to the consumer of imported goods; and be especially objectionable, because it would have the effect to impose a relatively higher charge upon the consumer of the coarser articles, on the necessities rather than on the luxuries of life.

Such was the effect, to no inconsiderable extent, of the tariff of 1842, and it was the manifest injustice of that operation which rendered the specific and minimum rules of assessment objectionable to the people. That was not so much the fault of the rule as the error in its application. It was misapplied. For instance, silk was tariffed by the pound, broadcloth by the yard; and so as to many other articles; and it is seen how unequal the operation must have been. One pound of fine silk would cost double or treble that of a pound of the coarse; and one yard of fine broadcloth would be worth twice or thrice that of a yard of the coarse article; and thus the consumer of the coarser commodity was compelled to contribute to the support of the Government double or treble the amount of percentage exacted from the consumer of the finer article. Cotton goods were tariffed on the minimum or imaginative principle, which provided that all cotton goods, or of which cotton was a component part, dyed or colored, costing thirty cents a square yard or less, should be rated as costing thirty cents, and tariffed accordingly; and plain cottons, costing less than twenty cents, were rated at that price. Thus, the rate of percentage on the consumer became great just as the value of the article became small. This operation was the more objectionable because it often applied to articles not produced in the country to any extent, and where the whole charge necessarily entered into the price to the consumer, it being to no extent restrained by home production. But where the specific charge on the quantity is properly applied, the case is far otherwise. Then these objections do not apply; for then all consumers would pay alike upon the same quantity of the same article, as in the case of a fixed sum per ton on bar-iron, pig-metal, steel, sugar, hemp, flax, coal, and fabrics, so far as it can be made to operate equally. This, I understand, is the extent to which the President

would prefer specific to *ad valorem* duties. To my own mind, the use of any mode in measuring the Government charge is right or wrong, just as it may effect equally or unequally the value of the article to the consumer.

A tariff for revenue is the Democratic doctrine; but the mode of assessing the duty, whether upon the value or quantity of the articles, has never been made an article of our party faith. Thomas Jefferson founded the party long before 1846, and prior to that time both modes or rules had been uniformly used. But our faith, Mr. President, must always be, to deal justly with all in the use of either mode.

The English Government has attempted to overcome the objection to the application of the specific charge to textile fabrics, by a scale of rates increasing and decreasing as the threads are many or few in the square, and the present British tariff is constructed almost exclusively on that principle, the revenues collected on the *ad valorem* being but about one pound out of a hundred. Our tariff of 1842 assessed specific duties on eight hundred items, and on over fifteen hundred on the *ad valorem*; and in 1845, \$32,000,000 of the revenue was collected on the former principle, and \$52,000,000 on the latter.

The objections urged to the application of the *ad valorem* principle to staple articles are, that it seems to facilitate rather than restrain fluctuations in prices; that the Government charge runs to a very large or a very small sum, just as the impulses of trade and commerce may vibrate; and that, when assessed on either a very high or a very low value, it is not a true *ad valorem* principle, for that is intended to be a percentage upon the actual cost of the article to the producer; but, as in the case stated, it becomes, instead, a charge upon a fictitious value, or upon a fictitious invoice. The specific mode, on the other hand, makes a uniform charge upon the quantity of the article. It neither runs up nor down; and it is held, therefore, that it tends to give stability to prices. The complaint of our manufacturers against the *ad valorem* principle is, that it makes the largest exactions when prices are highest and the least when they are lowest; and, consequently, the incidental aid to them always comes in an inverse ratio to the necessity that exists for it. When they need aid most, it gives least; and when they need least, it gives most. For illustration: when iron runs up to \$60 per ton, at the present tariff the aggregate charge would be \$14 40; but when it goes down to \$40 a ton, the charge is only \$9 60; the practical operation being to make the American manufacturers share the fruits of any folly indulged in by

their competitors. If there be an excess production in England, for instance, the sum charged per ton, on the *ad valorem* principle, runs down to the lowest point, and enables the English producer to throw his excess into our market. So, also, does it facilitate the importation of the inferior article, which the Englishman cannot sell in his own country. The specific rule, on the other hand, would operate to resist the importation of such excess and inferior article. The consumer has similar ground of complaint; for it is perceived that, when the price of goods is very high, the producer being abundantly rewarded and the consumer already oppressively burdened, the Government makes the largest charge upon the quantity of the article, a portion of which must enter into the price, and thus add to the burdens of the consumer; whilst, when prices are very low, and the consumer can afford to pay, and the producer is selling at a sacrifice, the Government exacts the smallest sum.

But, Mr. President, the manufacturers of iron would be perfectly satisfied with a very moderate specific duty on the several kinds of the foreign article. They are quite willing that we should ascertain what the aggregate duty, per ton, has averaged for a series of years, and fix that as a specific rate. They would be content with six dollars per ton on pig metal, twelve on railroad iron, and fifteen on rolled or hammered bar, which would not exceed the average that has been paid under the *ad valorem* principle for the last eight or ten years. Now, sir, if no greater average sum is paid, I do not see that it can make an essential difference to the consumer or to the Treasury, whether the charge is made by a fixed sum on the quantity, or by a percentage on the value; but it is of great importance to the domestic manufacturer; for the specific duty tends directly and effectually to the exclusion of the inferior article from the country; for it is seen that when a fixed sum is charged upon the quantity, the rate becomes highest upon the poorest article, and whilst the better will stand the change, the inferior is excluded, which is a benefit as well to the consumer as to the American producer, and must result in the general good. With a moderate rate of duty, the American iron-maker can compete with the foreign manufacturer in the production of the best article; but he cannot sell good iron as low as the English can bad and brittle trash, and he can make the best nearly as cheap as he can the worst. He may stand fair competition, but he needs protection against fraud and deception. The experience of the Pennsylvania railroad shows that the wear and tear of American iron, under the amount of

tonnage on that road, is from five to six per cent., whilst on the foreign article of the average quality, it would range from eight to twelve per cent. It is the importation of the inferior article that has embarrassed the American manufacturer, as well as deceived and defrauded the American consumer.

The effect of duties upon articles competing with our principal staple productions on the interests of the consumer is, and always has been, a subject of controversy. The Senator from Georgia, [Mr. IVERSON,] a few weeks since, in discussing the policy of using American iron in the construction of the Pacific railroad, submitted a calculation based on the erroneous assumption that iron of equal quality could be had twenty-four per cent. below the usual price were the tariff taken off, and the home production, in consequence, should cease; in other words, that if we had no duties, and no home production, foreigners would supply us twenty-four per cent. below the present rates. This view, Mr. President, however plausible, is fallacious. It is true that it would hold better as to railroad iron than as to bar iron, or iron generally; for the business of making railroad iron is yet new and weak; the production having reached but about one hundred and seventy-five thousand tons per annum, whilst the consumption ranges from two hundred and fifty to three hundred and fifty thousand tons. The influence of the home production is, therefore, not so effective at present as it will be hereafter; but, weak as this interest is, it is idle to pretend that the home production has no influence upon the market, or that, were it finally suspended and the duties removed, foreign railroad iron of equal quality could be purchased twenty-four per cent. below the present rates. As to all other kinds of iron, the case would be still stronger.

The truthfulness of this position has frequently been illustrated in the operation of the sugar trade. The effect of a short crop in Louisiana has always been to put up the price on the consumer. There has been no exception to this rule. In 1842, with a good crop, the price was three and a half to four cents per pound; and in 1844, under a short crop, the price was five and a half to six cents per pound. In 1855 the crop fell off partially, and the price rose to six and six and a half cents. In 1856 and 1857 the crop fell off still more, and the price rose to nine and ten cents. A demand for one or two millions of pounds on the West India market has always advanced the price; and it is idle to pretend that, should we make a demand on England for one third of her iron, the

price would not be enhanced. But, as the production of iron does not depend upon the seasons, the home supply never fluctuates to such extremes, though the principle still holds good; and in case of such fluctuation the *ad valorem* principle operates severely on the consumer. For instance: the home crop or production having failed, and the foreign article having advanced to a very high price, the Government at that point, under the operation of the *ad valorem* charge, advances its demand to the highest sum, and the consumer must pay accordingly. If, on the other hand, the prices were very low, the Government would reduce its exactions in the same ratio, and then the producer suffers. I know it will be said that it is very unfair that the consumer of iron, or any other staple article, should pay high prices when the general products of the country decline in value; and this position would seem to be well taken, were it not that the whole history of business revulsions proves that, under their operation, the price of the home article recedes to a fair extent, regardless of foreign rates. The objection has great force, when applied to articles not produced in our own country; but when we have a large home production the price invariably declines enough to relieve the consumer; but a fixed duty may save the producer from destruction by checking foreign importation. Take, for instance, the late revulsion, and who does not know that the price of iron and other staples declined from domestic causes, in no way connected with the rates of duty on the foreign article?

So far as relates to frauds upon the revenue, I certainly agree with the President that specific duties "are the best means of securing the revenue against false and fraudulent invoices." It is certainly easier for the officers of the Government to determine that a hogshhead of molasses or a ton of bar iron exists at the port of entry, than to ascertain what it costs to produce them in a foreign country; and so of nearly every other article. The great difficulty is, however, that the specific principle cannot be properly applied to the character of imports on which the greatest frauds are committed. But much can be done in the way of preventing frauds, and of saving money to the Treasury, under either mode of charging duties by a change in the machinery for their collection. I have recently read a report of Mr. Hagner, of Philadelphia, one of the appraisers at large, addressed to the Secretary of the Treasury, on this subject. He recommends "the repeal of all laws and regulations allowing damages on imports," and says \$500,000 would be saved annually in this way; that it would simplify

the accounts to be kept, and reduce the labor and expense of the service, whilst at the same time, it would remove all temptation to fraud; completely protecting the honest importer against the successful schemes of the unscrupulous. He says the suggestion meets with general favor amongst the importers of that city; and, by a table annexed to his letter, he shows that for the year 1857, \$518,000 were lost to the Treasury by allowances on damaged goods, and suggests that merchants should be left to protect themselves against damages by insurance as to the duties, just as they do for the value of the goods.

The allowances for deficiency in weights and measures, in my opinion, may be viewed in the same light. They, too, should be provided for by insurance. The duty should be uniformly paid on the amount of the invoice, and the duty of the Government officers should only be to see that the quantities did not exceed the amount invoiced. This would remove all motive for fraud and collusion, and the merchant would only find it necessary to be the more accurate in his invoices, and the more careful to cover all chances of wastage by insurance. This would be no more difficult on dutiable goods than on goods admitted free of duty; and certainly no one will pretend that in the case of goods admitted free of duty, the Government will be called upon for either damage or deficiency. The underwriters would have to answer for all this; and so it should be as to damages and deficiencies on dutiable goods. I have no doubt the frauds on the revenue are very great. The experience of the British Government has shown how difficult it is to guard against fraudulent invoices, and they are now charging duties almost exclusively on the specific principle.

The discrepancy between the French statistics of exportation to this country and ours of importation from that country, present conclusive evidence of overwhelming frauds. It is certainly a great virtue in any principle that it should prevent fraud and give the country the best quality of goods. If it is right to exclude adulterated drugs, by act of Congress, it is just as proper to protect the people against damage from any other class of spurious article.

But, sir, I hold that the strongest claim which the manufacturers have upon incidental aid, from our revenue system, is found in the damage resulting to them from another policy of the Government, over which they have no control. I have reference to our system of currency, which the Constitution intended should be coin, but which has degenerated into a system of paper money,

based upon a small percentage of coin. The committee on banks and banking of the Legislature of Massachusetts, in a report of a recent date, on this point, have justly and forcibly said:

"The tariff and the currency are kindred subjects, which act and react upon each other; and no financial system of any country can be successful which does not combine and cause them to work in harmony."

And again, speaking of paper money, they say:

"As it increases in quantity its standard depreciates in value; it stimulates an unsafe competition of all industrial pursuits by an inflation of prices; it deprives the American manufacturer of every advantage to be derived from a tariff incidentally protective, because the foreign manufacturer is enabled to pay our duties and still sell his goods here at higher prices than in the home market, which are in turn to be paid for in exports of gold and silver."

Truer sentiments never were uttered, Mr. President; and this is testimony from the right quarter. If the people of Massachusetts do not understand this question, no other people should be expected to do so, for they have had great experience in manufactures and in currency. But it is beyond dispute, that the manifest tendency of this fictitious currency is to beget exorbitant nominal values, the consequence being that the price of every element entering into manufactures bears a higher value than in Europe, whilst capital is dearer by from two to four per cent., and the nominal cost of the article produced is swelled in the same ratio. The producer must be paid for all this, and a profit besides, or he will fail. It is too clear for dispute, that the American manufacturer is paralyzed, to no inconsiderable extent, by the operation of our monetary system. It was well said by the Massachusetts committee, that it counteracts, to a great extent, the aid which the manufacturers receive from our revenue laws. In this alone, Mr. President, is found their strongest claim to the benefits of a discrimination in fixing the rates of duties.

It may be said that this system of currency damages the agriculturist, also, and that is true; but the difference is, that the farmer has no foreign competitor producing under a different system of currency. Indeed, sir, it cannot be disguised that the ungovernable inclination of the American people to high prices is a source of weakness to our country, in its competition with foreign nations. Everybody wants to sell at high prices, and everybody must pay high; and the country is, therefore, all the while, in a condition to be well plucked by foreign competitors. The career of California furnishes a striking illustration of the damaging effects of exorbitant prices. All of us remember the high prices that prevailed in that country for a time. A single cargo of goods would realize a fortune to the owner, and a day's

work was worth three times as much in that State as in those of the Atlantic. But California, with all her gold, could not stand this system long; and, after repeated revulsions and convulsions, her prices have settled down so as to bear a fairer relation to those of other countries, and she again prospers. It is only singular, sir, that in the face of all these facts, so many manufacturers maintain the policy of an inflated system of paper currency; and it is still more singular that some who are constantly laboring to inflate this vicious system, should claim to be, *par excellence*, the friends of the manufacturer. If I were going to name a single measure that would do more for the manufacturers of the country than any other, I would say, dispense with the use of all bank paper of a less denomination than fifty dollars. People are all the while complaining of the scarcity of money. I tell you, sir, we have too much money of the kind; and we must get clear of the paper element; and if there be necessary power under the Constitution, Congress should promptly drive it out of existence in every State of the Union.

But, sir, it has been too much the habit to regard the views of Pennsylvanians on the subject of the tariff as selfish, and to allege that we seek what we would not willingly concede to others; and I must say a word on this point. This implication is not well founded, and I repel it. We seek the prosperity of the iron business, not only because it is essential to our interests, but because we believe that its prosperity will conduce to the welfare of the whole country. We regard it as a great national interest, the raw material being found in great abundance in one third of the States of the Union. It is, besides, one of our great elements of national defense and wealth, and will soon become one of commercial power. Its use is extending with each passing year; and the best interests of the country require that its production should grow in an equal, if not a greater, ratio. Its growth, though fluctuating, has still been gradual, and its increase is very perceptible in any term of five or ten years. In 1820 it amounted to 10,000 tons; in 1830 to 190,000 tons; in 1840, though the production had fluctuated to a greater or less extent at different periods, it had reached an aggregate of 310,000 tons; and by 1855, its highest point was attained, being about one million tons, equaling about one third of the production of Great Britain. There is no natural impediment in the way of the growth of this production to a most fabulous extent. Our country abounds with the native element, and our people possess the enterprise, skill, and industry, to beat the world, if you will only protect them for awhile

against the bogus article of the foreign producer, and the debilitating influences of an inflated currency.

As much may be said, indeed, on the latter point, in reference to the manufacture of wool, cotton, hemp, cutlery, &c., as to that of iron. But the production and consumption of iron is only in its infancy. It is being daily applied to some new purpose. I can remember when the idea of an iron plow, an iron bridge, or an iron ship, was treated as a flight of fancy. Now iron is a great element in the construction of all these. I see it stated that "in 1853, of the one hundred and fifty steam vessels built in England, one hundred and seventeen were of iron, and that during the same year eight sailing vessels were built of the same material." It is employed in every department of domestic industry, and devoted to ornamental as well as substantial uses, superseding wood, brick, stone, and even marble, and has become a leading element in the construction of houses, barns, bridges, roads, pavements, and every description of structure, private and public. The Departments at Washington have very wisely encouraged its use in the construction of public buildings in all parts of the country, as the cheapest and best material that can be employed; holding that, in view of its durability, its use is true economy. Indeed, sir, the iron manufacturers are much indebted to the late Secretary of the Treasury—as I hope they shall be to the present Secretary—for what he did in this way. Nor is its consumption to be confined to our country alone. The range of its use is becoming world-wide. It will be demanded in untold amounts in all its varieties, and especially in the shape of rails, in Central and South America, in Turkey, Austria, Russia, and the islands of the sea. Great Britain is now the principal producer, making about three times as much as the United States, say three million five hundred thousand tons per annum; but she cannot supply the demands of the world, and it is the United States alone that possesses inexhaustible stores of the raw material, and boundless natural facilities for producing the article. It is to them, besides, even at this early date in their history, a great means of national defense, and must soon become one of wealth and commercial power. Who, then, is not willing to countenance and sustain such a branch of industry in its struggling competition, not against a fair competitor, but against the frauds of the foreign producer, and the power of foreign capital? I am free to confess, sir, my partialities for this interests; and, whilst doing all that I can for others, I shall cherish this as one of leading importance.

But we claim no special or unreasonable favors. We are not the recipients, under the tariff, of half the benefits alleged.

But, sir, I now propose to submit a series of facts touching the process of making, and the elements entering into the production of iron in this country and England, which have the sanction of the most experienced and intelligent iron manufacturers in this country. They are intended to exhibit the difficulties in the way of the American production, and at the same time establish the value of the iron business to the agriculture of the country.

Under the ten years' tariff of 1846, the following importations were made:

Tons.	Appraised value.
1,007,432 pig and scrap iron.....	\$15,673,154
1,732,456 railroad iron....	60,095,271
1,228,911 sheets, hoops, bars, &c.....	58,817,290
3,968,799	134,585,715
124,968 manufactures of iron and steel..	74,980,591
113,292 steel.....	20,995,066
4,207,059	\$230,561,372

Concerning the labor involved in a ton of iron, it is not my intention to limit it to any locality, or division of its constituent elements; but to take all the materials, coal, ore, limestone, &c., in the mines and quarries, and count up the finished iron.

In this country the number of tons per man per annum, would vary very considerably with the locality of production, but in England, Scotland, and Wales, it is more uniform.

After a careful examination of the facts, the following is deduced:

20 tons of pig iron represent	1 man employed 1 year.
8 tons of rails represent.....	1 " 1 "
6½ tons of rolled bars, &c., represent 1	" 1 "
¼ tons of manufactured iron and steel represent	1 " 1 "
2½ tons of steel represent.....	1 " 1 "

Three hundred days of labor represent a man and his family, or five individuals. Each individual consumes in Great Britain thirty dollars per annum of agricultural products in food. In the United States fifty dollars per head is said to be the consumption.

For the sake of adopting some standard of a dollar as its representative in food, a bushel of wheat is assumed as its equivalent in value.

By the above data, it would require \$150 to support a family of five persons in Great Britain, and \$250 in the United States. Then—

1 ton of pig iron consumes.....	7½ bushels.
1 ton of rails consumes.....	18½ "
1 ton of bar iron, &c., consumes.....	23½ "
1 ton of steel consumes.....	60 "
1 ton of manufactures of iron and steel.....	200 "

If the above iron were made in the United States, the following would be the exhibit:

1 ton of pig iron consumes.....	12½ bushels.
1 ton of rails consumes.....	31½ "
1 ton of bar iron, &c., consumes.....	38½ "
1 ton of steel consumes.....	100 "
1 ton of manufactures of iron and steel.....	333½ "

Then—

In Great Britain at \$30 per head.

	No. bushels, at sixty pounds.	Weight.
1 ton pig iron.....	7½	450 pounds.
1 ton rails.....	18½	1,123 "
1 ton bar iron, &c.....	23½	1,425 "
1 ton steel, &c.....	60	3,600 "
1 ton manufactures of iron and steel.....	200	12,000 "

In United States at \$50 per head.

	No. bushels, at sixty pounds.	Weight.
1 ton pig iron.....	12½	750 pounds.
1 ton rails.....	31½	1,875 "
1 ton bar iron, &c.....	38½	2,310 "
1 ton steel, &c.....	100	6,000 "
1 ton manufactures of iron and steel.....	333½	20,000 "

The difference of food consumed by laborers abroad and laborers at home, indicates the difference in wages received. The farmer evidently reaps the benefit of the high wages paid at home, and can all the better afford to pay a higher price for better iron.

A ton of bar iron made in this country makes a market to the farmer for a ton of wheat, and a ton of rails nearly as much. If we take, instead of all wheat, a part only, and the rest vegetables and fruits, the bulk will be greater than a ton of food for a ton of bars or railroad iron.

The same rule applies to the consumption of everything else the American laborer needs; receiving higher wages than the foreign laborer, he is able and willing, and does consume, more of everything; and, therefore, every other industrial pursuit in the country is benefited by a class of home consumers, who furnish a market, worth more than that of all the countries furnishing us with iron, for the products of agriculture.

Let the test be applied to our imports, and see what American laborers would have consumed, had the same iron been produced at home instead of abroad:

Tons.	Bushels wheat per ton.	Total bushels.
898,990 pig iron.....	12½	11,237,375
1,732,456 rails.....	31½	54,139,250
1,228,911 bar iron, &c.....	38½	47,313,074
113,292 steel.....	100	11,329,200
124,968 manufactured iron, &c.....	333½	41,651,834

4,098,617 165,670,733
in ten years.

Our total exports to Great Britain during the same ten years, were, in agricultural products and vegetable food, \$214,103,628; or, as a bushel of

wheat represents one dollar, 214,103,628 bushels; which is but little more than twenty-five per cent. greater than would have been consumed by the makers of the iron we imported, had it been made at home.

Under the head of agricultural products, is included beef, pork, butter, cheese, &c., besides live stock and wool. Convert 165,670,738 bushels of wheat, at sixty pounds per bushel, into tons and pounds, and we have 4,437,609 tons of wheat embodied into 4,098,617 tons of iron, &c., &c., imported, (old iron excepted;) being a greater weight than the iron itself by one third of a million tons. But upon the basis of foreign consumption, namely, \$30 per head, the tonnage will show that, in the ten years referred to, there was imported three fifths of 4,437,609 tons of wheat, namely, 2,662,526 tons, in the form of iron.

What would the farmers say if, before this immense amount of agricultural products had entered into the iron, they could see it arriving in bulk at our Atlantic ports, and there be converted into iron made out of other foreign material also, namely, coal, ore, limestone, &c.? I know that more than one Senator is ready to ask, what we should have done for revenue had the 4,098,000 tons of iron been manufactured in this country? and I answer, we always import all we can pay for; and the place of the iron would have been supplied by some article which our country does not produce.

Nothing is more unpleasant to my feelings than to allude to the country in a sectional point of view, or to notice the States separately, concerning the relations they bear towards the Federal Government. But I am impelled to the task before me by a sense of justice to my State; to the people whom I represent, in part, on this floor. I have reference to the impression which seems so general, in and out of Congress, that under the operations of the revenue system, the manufacturing States have enjoyed great incidental benefits, which have been in no way reciprocated to the others; and I intend to show the total fallacy of that belief. If the South and West complain of the revenue laws, the North and East can point to the postal system and the donations of public lands in a similar spirit. If it be true that my State and others have been incidentally benefited by the tariff, it is equally true, as I shall show, that the munificence of the Government has not been confined alone to tariffs; that it has been manifested in a far more direct manner by donations of the public lands to States for railroad and other purposes. And it is to be regretted, sir, that the States which have received most in this

way, seem least inclined to reciprocate the favor, so far as the manufacturing interests are concerned. Having had such essential aid in building their railroads, they should not be parsimonious in the matter of helping Pennsylvania and other States to furnish them with the best quality of iron for their roads.

Now, sir, for the land grants, which I prefer to present in tabular form, showing the amount of land, in acres, granted to railroad companies, and to States for railroad and other purposes, at different periods, from 1850 to 1857:

Table showing the amount of land, in acres, granted to States for railroad and other purposes, from 1850 to 1857.

State.	Acres.	Estimated value.	Amount.
Illinois.....	2,595,052	at \$10 per acre,	\$25,950,520
Missouri.....	1,815,435	" 4 " "	7,261,740
Alabama.....	2,332,918	" 2 " "	4,665,836
Mississippi....	1,687,530	" 2 " "	3,375,060
Louisiana.....	1,102,560	" 2 " "	2,205,120
Michigan.....	3,096,000	" 5 " "	15,480,000
Arkansas.....	1,465,297	" 2 " "	2,930,594
Florida.....	1,814,400	" 1 " "	1,814,400
Iowa.....	3,456,000	" 5 " "	17,280,000
Wisconsin.....	1,622,800	" 4 " "	6,491,200
Minnesota Ter.	4,416,000	" 3 " "	13,248,000
Totals.....	25,403,993	\$100,702,470

The total amount of railroad iron imported up to 30th January, 1858, was 1,816,523 tons, valued at \$68,833,793, on which duties to the amount of \$25,126,613 were paid. Of this sum \$6,313,300 were refunded, leaving the actual duties paid on railroad iron up to the present time, \$18,753,313.

There are now about thirty thousand miles of railroad in the United States, and the States receiving the lands, as already named, contain about seven thousand five hundred miles, or 750,000 tons of railroad iron, valued at \$31,185,000; on which duties to the amount of \$4,683,328 were paid.

The total value of iron and of iron manufactures imported from 1851 to 1858, inclusive, is \$168,242,961; on which duties to the amount of \$49,289,081 20 were paid.

Now, Mr. President, permit me to review this account for a few minutes. As the duty on railroad iron has been the subject of special complaint, I shall deduct from the aggregate value of the land grants, as above stated, the total amount of duties paid on railroad iron from the day the first bar was imported up to the close of the fiscal year, say \$18,753,313, and a balance of \$81,949,157 remains; of this aggregate of duties, the States receiving the land grants for railroads paid less than five millions. But, sir, to be still more generous, suppose we deduct the aggregate value of all the railroad iron used in the same States, less the duties, say \$31,185,000, and the balance is still \$50,764,157. But, sir, we can go further and de-

duct the total amount of duties paid on iron and iron manufactures since the first land grant in 1850, less the duties on railroad iron already deducted, and there is still left the handsome balance of \$20,535,768.

I have thus shown that the lands granted to the South and West, to improve the physical condition of the country, are worth more at a reasonable valuation than the total duties paid on railroad iron, the value of the railroad iron used by the States receiving the land, and the gross amount of duties paid on iron, and iron manufactures of every description since 1850; but still more, I find that the following States have received, in addition, 55,129,492 acres of the public lands, apportioned as follows:

Ohio.....	54,438	14
Indiana.....	1,334,732	50
Illinois.....	3,243,891	46
Missouri.....	4,248,203	81
Alabama.....	2,595	51
Mississippi.....	2,836,675	89
Iowa.....	1,752,296	29
Louisiana.....	11,202,354	28
Michigan.....	7,273,724	72
Arkansas.....	8,562,752	93
Florida.....	11,790,637	46
Wisconsin.....	2,827,199	14

Total.....55,129,492 13

I have no data on which to base an opinion as to the value of the swamp lands. I know that they have not been of much account to the States in their corporate capacity; but it is fair to estimate them at their value to the citizens of the States, for I am measuring their value against the incidental benefits of the revenue system to the people of the manufacturing States, and while certain sections may not be worth ten cents per acre, others would be cheap at ten dollars. At all events, in connection with the foregoing balance of \$20,555,000, they constitute a nice item to offset incidental protection.

But over forty-eight million acres of the public lands have been given away on bounty warrants; and I am aware that it has been alleged that my State has received more than her *pro rata* share; but I can find no evidence of the fact. But if it be so, that fact could not properly be offered as a set-off to the account I have presented. The bounty lands were not given to the States, or to companies to improve the physical condition of the country; but to the veteran and patriotic soldier wherever found, for services rendered to his country in the field of battle. If it be true that my State, or any other, furnished more than a *pro rata* share of citizens for such service, the fact should redound to her honor, and excite on the part of all, the strongest feelings of gratitude and generosity toward her.

But, sir, I must look into the burdens resulting to home consumers, from the principle of discrimination, so much complained of in the South and West. The total imports of iron and iron manufactures for ten years, amounted to the gross sum of \$187,800,000; twenty-five per cent. being the average on dutiable goods. Iron was five per cent. above the average, making this excess an aggregate of duties of \$9,300,000. Of this sum the States receiving the lands for railroad purposes, on the ratio of population, paid less than one fifth—say \$1,800,000.

But, sir, let us test this account on all the great staples, woolens, cotton, hemp, iron, sugar, salt, and coal. The total amount of duties paid upon these for ten years, at thirty per cent., makes an aggregate of \$210,400,000. One sixth of that would be five per cent., the amount of the discrimination, say—\$30,506,000, or at the rate of \$3,000,000 per annum, of which the land States would pay \$600,000, being less than three fourths of one per cent. on the value of the lands as already stated.

As for the assumption that the American consumer pays as well on the domestic, as on the foreign article, I shall not argue that point; whilst it may be so, to a very limited extent, for brief periods, on certain articles, as a general proposition I discard it as a palpable fallacy. As to every one of the staples I have named, should the home production cease and the tariff be withdrawn, the American consumer would pay for many years if not for an indefinite period, higher prices as a consequence.

Nor, sir, is this all. These States, and others have not only had munificent land grants, enough in some instances not only to pay the duties on their railroad iron, but to pay for the iron, duty and all, and contribute to build their railroads besides, but they have had a large proportion of their postal expenses paid out of the common Treasury. If Senators will insist that the blessings and burdens of Government, like the dews of heaven, must fall alike on all, let them look to our postal system for a work of equalization. I have pursued the investigation far enough to discover whose ox is gored. If it be true that the gratuities of the revenue system flow north and east it is equally true that those of the postal system run south and west. I have made up the account from 1853 to 1858, and shall present a comparison with my own State. I have not included the expenses of the general Department, nor those of the foreign or Pacific service, but left these to be charged, as suggested by the Postmaster General in his communication the other day, to the States.

pro rata according to population; so that if these general expenses were included it would not affect the relative state of the account. The table of expenses includes the entire cost of transportation and compensation to postmasters within the several States; and whilst it may be alleged that it is not perfectly accurate as between adjacent States, where routes extend out of one into the other, and that the expenses may not be equally charged, that fact would not break the force of the account as to the community of States with which I am making the comparison.

Receipts and expenses of the Post Office Department in the following States, during the last five years, from 1854 to 1858, inclusive.

States.	Gross receipts.	Gross expenses.	Deficit.	Excess.
Pennsylvania..	\$2,975,771	\$2,794,224	-	\$181,547
Virginia.....	1,118,971	2,027,063	\$908,092	-
North Carolina	369,512	1,040,446	670,934	-
South Carolina	470,352	1,278,062	807,710	-
Georgia.....	752,924	1,586,334	833,410	-
Florida.....	104,698	522,477	417,779	-
Alabama.....	542,438	1,430,089	887,651	-
Mississippi...	402,514	1,260,979	858,465	-
Texas.....	360,358	1,477,737	1,117,379	-
Kentucky.....	655,152	1,101,100	445,948	-
Michigan.....	748,666	1,199,223	450,557	-
Louisiana.....	772,022	1,996,430	1,224,408	-
Tennessee....	533,044	974,940	441,896	-
Missouri.....	748,896	1,534,005	785,109	-
Illinois.....	1,674,616	2,696,516	1,021,900	-
Indiana.....	891,183	1,545,314	654,131	-
Arkansas.....	151,238	934,543	783,305	-

But, sir, this discrepancy does not consist alone in the amount of receipts. It is just as strikingly exhibited by a comparison of the expenditures. For instance, the expenses in Virginia, for the five years in view amounted to \$2,027,063, whilst in Pennsylvania, with double the population, the expenses were but \$2,794,224, instead of \$4,054,126 to which she would have been entitled on the ratio of the Virginia expenditure. The expenses in Georgia for the same period were \$1,586,334, and on this ratio there should have been expended in Pennsylvania \$4,758,000. The expenses of Louisiana, with but four members in the House of Representatives, were \$1,996,430, and at the same ratio those of Pennsylvania would have reached \$12,321,411. Illinois, with six members, received \$2,696,516, and on that basis Pennsylvania should have received \$7,415,419. The expenses of Florida were \$522,477, and to have placed Pennsylvania on an equal footing would have required the expenditure of the enormous sum of \$13,061,825. The comparison with Texas would be still worse; and the average in all the States in the foregoing list would have given to Pennsylvania nearly treble the amount which she received.

Classifying the States as northern and eastern,

southern and western, and deducting foreign postage received in the Atlantic cities, the account for five years past will stand as follows:

	Northern and eastern.	Southern and western.
Receipts.....	\$14,387,982	\$15,071,360
Expenses.....	13,839,461	29,311,960
Excess.....	\$1,048,521	Deficit, \$14,240,600

Another handsome item for incidental protection. Fifteen million would sustain our manufactures much longer than it will the Post Office Department.

But if it be said that the most of the public money is spent in the manufacturing States, I demur to the assumption and point to the vast expenditures, south and west, in the Indian wars—to that in Florida especially, of more than twenty years' duration; indeed to the whole expenditures in Indian affairs, and especially to the delusive system of Indian civilization. But I shall not dwell on these things at present. What I have said is in no unkind spirit, either of complaint or criticism.

My State indulges no such feeling. She has sent her native sons throughout the great West, and she has watched their career with parental concern. She views with pride and pleasure the growth of the new States and the prosperity of the older ones. She is slow to complain, and harbors contempt only for idle bravado about a separation of the States. She intends to deal justly by her sister States and stand by the constitutional rights of all. She will, as she always has done, in peace or in war, perform her whole duty to the Union, and frown with disdain upon any and every suggestion looking to its dissolution; but she does feel, and feel deeply, unjust criticism upon a policy which she deems useful to her interests and regards as wise for the nation as a whole. I have no menace to offer in her name—I love and respect her too much to trifle with her in this way; but this I will say, if gentlemen suppose that her people are insensible to the cold indifference manifested to her voice, spoken by her people and by her Legislature, if they live long enough they will discover their error.

In what I have said to-day, I have endeavored to give expression to the sentiments of the people whom I represent, not so much, indeed, so far as I may have made any comparison in the expenditures of the Government money between different sections of the Union and between different States. That I have done in no spirit of complaint or accusation. I have presented it as a defense, because a constant effort is made to place my constituents in the attitude of begging at the

hands of the Government for favor. They are a grateful people and thankful for favors; but, sir, they are a proud people. They ask only their rights. They would not infringe upon those of any other section or any other State. They seek no gratuity. When they speak of incidental aid from our revenue system to the interests of the country, they have reference to those interests wherever they are found. They treat it as a broad, general policy, embracing the whole Union. They believe there is a relation of reciprocity, not only between the States politically, but between all the branches of industry and all the departments of Government; and whatever complaint may be made against the incidents of the revenue system, she has equal cause of complaint on other points which I have endeavored to present. However the views I have presented in regard to postal deficiencies may be criticised, they are substantially correct. The Sen-

ator from Georgia [Mr. Toombs] shakes his head. I knew he would do that. I wish it was all the shake he had to give on this subject. I know, sir, that what I have said is to undergo severe criticism. I may have erred in making up my figures, but I know the Senator from Georgia will believe that I intended only to present the true history of the case. [Mr. Toombs nodded assent.] Certainly I am not at fault on the question of public lands. There is a valuable donation given to sister States, whom Pennsylvania loves and admires, and whom she would willingly advance in their prosperity; but who sometimes unkindly complain of the beneficial incidents to her manufacturing establishments from our revenue system.

Now, Mr. President, I shall not pursue this subject further at present. I have performed, under the instructions of the Legislature of my State, what I considered to be a duty.